


BUDGET ITEM NO.	AU NO.	REGION	CAPITAL TYPE (see back)	AFUDC (see back) <input type="checkbox"/> Yes <input type="checkbox"/> No	Estimated Expenditures (Direct Capital Cost Only)			
					Year	This Request	Previous Authorization	Total Authorization
232	329	South(ern)	Storage	<input type="checkbox"/> Yes <input type="checkbox"/> No				
Activity # Investment				PARTIAL AUTHORIZATION <input type="checkbox"/> Yes <input type="checkbox"/> No	2008	\$ 1,500,000	\$	\$ 1,500,000
Activity # Retirement					2009	\$ 1,400,000	\$	\$ 1,400,000
Activity # Investment						\$	\$	\$
Activity # Retirement						\$	\$	\$
FILE NO.	NBA / MR / PI / SI NO.	ESTIMATED START DATE Year 2008	EST. COMPLETION Year 2009		Retired	\$ 100,000	\$	\$ 100,000
		Quarter 2	Quarter 2		Total	\$ 3,000,000	\$	\$ 3,000,000

WP(F-4) 10 1/5

Project Location Enterprise #14 - Ancona Enterprise #13 - Ancona				White #32 - Ancona White #31 - Ancona			
Project Description Retrofit engine-compressor units to reduce NOx emission. Continuation of a multi-year project to reduce NOx emissions.							
Alternatives Considered 1. Do Nothing. 2. Run the units as is and continue to emit NOx at current levels. 3. Retrofit units to be compliant with proposed NOx emissions regulations.							
Reason for Request Retrofit Engine Compressor units to be compliant with proposed EPA air emission regulations. These units are Phase III of a multi-year project initiated in 2006. Due to the long lead time for material and the short maintenance window available to have compressors out of service, the retrofits will be "phased-in" over multiple years to meet the proposed compliance deadline.							
Reason for Budget Revision							
For Revisions Only Revision: <input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4		Reimbursable? <input type="checkbox"/> No <input type="checkbox"/> Yes ___%		Income Taxes on Reimbursable Projects <input type="checkbox"/> No (Public Interest) <input type="checkbox"/> Yes (Private Party)		Included in overall budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Dollars and year(s): 1.5 MM in 2008, 1.5 MM in 2009	
				see instructions			

Operating Expense Impact (specify in detail)

Economic Assessment Data		Approvals	
Item (see page 2)	Value	TAG APPROVAL	DATE
Cost of Capital (after tax)	%	PRINT RECOMMENDED BY	DATE
Net Present Value at C/C (after tax)	\$	Joe Deters	01-17-08
Internal rate of return (IRR), if applicable	%	RECOMMENDED BY SIGNATURE	DATE
PHASE THREE OF PROGRAM NO VIABLE ALTERNATIVES Financial Analysis and Projects Approval By:  Date: 2-1-08		APPROVED BY SIGNATURE - VICE-PRESIDENT	DATE
		Gary Bartlett	01-17-08
		APPROVED BY EXECUTIVE COMMITTEE	DATE
		Barbara A. Green	1-25-08
		CMT COMPLETION BY	DATE
		ACCOUNTING APPROVAL - CAPITALIZED SOFTWARE	DATE
		POST INVESTMENT REVIEW	DATE
		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Undecided	DATE
		If yes, Quarter _____ Year _____	DATE
		BUDGET COMPLETION/ TOLERANCE	DATE
		CHECK BY	DATE

Forward completed form to: Supervisor Plant Accounting / GO-5 East

NOx Emission Reduction Project - Phase III

CMT Meeting
January 25, 2008



Project Description

- During 2006, Storage embarked on a multi year project to retrofit a number of its' old reciprocating engines to bring them into compliance with NOx emission reduction regulations being promulgated by the Illinois Environmental Protection Agency (IEPA) in conjunction with USEPA requirements.
- This is Phase III of that project.

Nicor Plan

2006

Phase I

Cooper #12 – Hudson
Enterprise #21 – Hudson
Cooper #22 – Lexington
Enterprise #21 - Lexington



2007

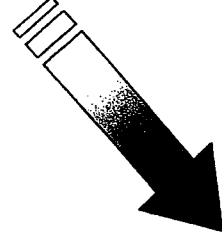
Phase II

Enterprise #31 – Pontiac
Enterprise #21 – Lake Blm
Cooper #41 – Pontiac
Enterprise #15 - Ancona

2008

Phase III

Enterprise #13 – Ancona
Enterprise #14 – Ancona
White #32 – Ancona



Phase III-Approval Request

	Proposed Budget	Material 2008	Installation 2009
Enterprise #14 - Ancona	<u>\$1,000,000</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>
Enterprise #13 - Ancona	\$1,000,000	\$ 500,000	\$ 500,000
White #32 - Ancona	\$ 500,000	\$ 250,000	\$ 250,000
White #31 - Ancona	<u>\$ 500,000</u>	<u>\$ 250,000</u>	<u>\$ 250,000</u>
TOTALS	\$3,000,000	\$1,500,000	\$1,500,000